

ORIGINAL

Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

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Federal Communications Commission  
Office of Secretary

In the Matter of

Administration of  
the North American Number Plan

CC Docket No. 92-237

COMMENTS OF  
THE PERSONAL COMMUNICATIONS INDUSTRY ASSOCIATION

The Personal Communications Industry Association ("PCIA")<sup>1</sup> hereby submits its comments in response to the Recommendation of the North American Numbering Council in the above-captioned docket.<sup>2</sup> PCIA supports the findings of the of NANP Working Group Evaluation Team regarding selection of the NANC North American Numbering Plan ("NANP") Administrator. The Evaluation Team's conclusions are based on a detailed analysis of the proposals and demonstrate which entity has the better understanding of what

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<sup>1</sup> PCIA is the international trade association created to represent the interests of both the commercial and the private mobile radio service communications industries. PCIA's Federation of Councils includes: the Paging and Narrowband PCS Alliance, the Broadband PCS Alliance, the Specialized Mobile Radio Alliance, the Site Owners and Managers Association, the Association of Wireless System Integrators, the Association of Communications Technicians, and the Private System Users Alliance. In addition, as the FCC-appointed frequency coordinator for the 450-512 MHz bands in the Business Radio Service, the 800 and 900 MHz Business Pools, the 800 MHz General Category frequencies for Business Eligibles and conventional SMR systems, and the 929 MHz paging frequencies, PCIA represents and serves the interests of tens of thousands of licensees.

<sup>2</sup> Recommendation of the North American Numbering Council (NANC), CC Docket No. 92-237 (filed May 15, 1997) ("NANC Recommendation"). The Commission has requested comments by June 20, 1997 and reply comments by July 3, 1997. FCC Public Notice, DA 97-1055 (rel. May 19, 1997).

will be required to administer the NANP and has more realistic estimates of the costs that will be incurred.

In a Report and Order in 1995, the Commission directed NANC to recommend a neutral entity to serve as NANP Administrator.<sup>3</sup> In response, an NANP working group was formed to develop a Requirements Document to solicit proposals from potential administrators. NANC then formed an NANP Working Group Evaluation Team that was representative of the telecommunications industry to review the responses to the Requirements Document. After a thorough review of all submissions, the Evaluation Team recommended Mitretek to be the NANP Administrator. However, in spite of this recommendation, NANC members voted 13 to 11 to recommend Lockheed Martin ("Lockheed") to the Commission. Because the Mitretek proposal has more realistic staffing and cost estimates and has agreed to provide the industry with intellectual property rights to Mitretek's software and systems, PCIA urges the Commission to reconsider NANC's recommendation and choose Mitretek as the NANP Administrator.

**I. THE NANP EVALUATION TEAM DETERMINED THAT MITRETEK IS BEST SUITED TO SERVE AS NANP ADMINISTRATOR, AND NANC IMPROPERLY REJECTED THIS CONCLUSION.**

In response to its Requirements Document, NANC received four proposals regarding the administration of the NANP from reputable firms: Bellcore, the Center for Communications Management Information, Lockheed, and Mitretek. After carefully studying all of the proposals, the Evaluation Team concluded that Mitretek and Lockheed were fully

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<sup>3</sup> Report and Order, CC Docket No. 92-237 (rel. July 13, 1995).

compliant with the NANC Requirements Document and were the best proposals received. In a detailed comparison of these two proposals, the majority of the Evaluation Team determined that Mitretek would be the better Administrator.

**A. The Mitretek proposal provides for more extensive staffing to ensure that the NANP Administrator will be able to fulfill its role.**

With the proliferation of facsimile machines, residential second lines for modems, and wireless communications devices all utilizing telephone numbers and the increased number of service providers competing in the marketplace, the NANP Administrator will need increasing effort and staffing resources to provide the industry with the same level of service currently available. In considering Mitretek's staffing proposal, NANC stated that "Mitretek performed a detailed analysis to determine the level of staffing required" which "reflected Mitretek's complete understanding of the requirements and industry needs."<sup>4</sup> In particular, Mitretek's level of staffing "should be sufficient to assure that the CO Code administration and NPA Relief Planning demands of the industry, including new entrants, will be met."<sup>5</sup>

Wireless services are a fast-growing segment of the telecommunications industry. This growth is likely to require significant efforts on the part of the Administrator to ensure that the needs of the wireless industry and consumers are met. As a representative of the wireless community, PCIA is concerned that Lockheed's proposed level of staffing will be insufficient to meet growing demand. Whereas Mitretek has proposed an initial staff of 53 employees,

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<sup>4</sup> NANC Recommendation at 10.

<sup>5</sup> *Id.*

Lockheed has budgeted for only 25.<sup>6</sup> As NANC itself noted, “Lockheed may lack the staff to deal with numbering issues requiring human intervention and judgment.”<sup>7</sup> Although Lockheed has apparently agreed to provide additional staffing without raising its price,<sup>8</sup> PCIA is concerned that this demonstrates that Lockheed does not fully understand the amount of work or resources that will be necessary to meet the industry’s needs.<sup>9</sup> PCIA is also concerned that Lockheed will be unable to meet industry standard intervals and timeframes which could have disastrous consequences for telecommunications carriers and the public. For example, when a new wireless service provider is ready to begin operations, it must request an NXX from the Administrator so that it will have telephone numbers available for its customers. If it is unable to obtain its number assignments in a timely fashion, it will not be able to serve customers. Such delays increase costs and stifle competition.

In addition to proposing a more reasonable staffing level, Mitretek has already hired industry numbering experts who participated in the formulation of its proposal.<sup>10</sup> Although NANC expressed concern that Mitretek’s level of staffing may be unnecessarily high, a provision could be included in the contract that if this level of staffing is not required after a

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<sup>6</sup> *Id.*

<sup>7</sup> *Id.* at 7.

<sup>8</sup> *Id.* at 8.

<sup>9</sup> Further evidence that Lockheed is insufficiently familiar with numbering issues is its statement that “NANPA personnel will regularly attend INC PCS N00-NXX workshop meetings.” Lockheed Martin Proposal at 4-20. This workshop has been closed since the middle of 1995.

<sup>10</sup> *Id.* at 10.

certain period of time, the number of employees will be reduced with the savings returned in the form of reduced costs. This would ensure that there is adequate staffing to meet the industry's requirements but that if such a level of staffing is not necessary, those savings will be recognized.

**B. Lockheed has not made adequate assurances regarding intellectual property rights.**

One of the basic requirements of the NANP Administrator is that it be willing to pass any intellectual property and systems to another party if a different Administrator is selected for a subsequent term. Mitretek has clearly stated that it will make all systems and software available to NANC for use by future Administrators.<sup>11</sup> However, Lockheed has promised only to "provide intellectual property rights for certain systems, software and support documentation used in NANP/CO Code administration specifically developed to support NANP/CO Code administration functions."<sup>12</sup>

Lockheed's proposal to allow new Administrators to use only certain software and systems could have the effect of forcing the Commission to continue using Lockheed as the Administrator. A new Administrator would have to redo much of the work Lockheed had already done, making the choice of any new Administrator prohibitively expensive. This, when combined with NANC's concern that Lockheed could have a monopoly over numbering administration because of its current role in performing 800/888 Help Desk and LNP NPAC

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<sup>11</sup> *Id.* at 11.

<sup>12</sup> *Id.* at 8.

functions for the industry,<sup>13</sup> increases the risk that the Commission would be forced to remain with Lockheed even if its performance were not satisfactory.

**C. Lockheed has likely significantly underestimated costs.**

The major factor in NANC's decision to override its Evaluation Team's decision was the fact that Mitretek's bid was double that of Lockheed.<sup>14</sup> However, PCIA believes that this may be due to the fact that Lockheed has significantly underestimated the staffing resources and costs involved in administering the NANP. As explained above, the level of staffing proposed by Lockheed implies that it does not fully recognize the amount of work required and the costs that will be incurred.

Although the version of Lockheed's proposal available for public inspection is redacted to such an extent that it is almost impossible to evaluate, it indicates that Lockheed may be expecting additional compensation for certain services. For example, Lockheed states that it will make information on how to obtain documents related to CO code administration available either through downloading from a Web site or by providing paper copies.<sup>15</sup> However, it does not specify if there will be additional charges associated with obtaining these documents.

Although such instances of potential additional, open-ended costs are important, PCIA is also

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<sup>13</sup> *Id.* PCIA understands that Lockheed's contract for the 800/888 Help Desk has not been renewed because another company was found to have more advanced equipment. Such a finding leaves in doubt Lockheed's claim in its NANP proposal to provide "a state of the art computer system with advanced security and disaster recovery to assure reliability of their database management." *Id.* at 7.

<sup>14</sup> *Id.* at 8.

<sup>15</sup> Lockheed Martin Proposal at 5-6.

concerned with Lockheed's statement regarding costs during the transition period. Lockheed's proposal states:

Our prices presented in Section 10.0 are inclusive of transition costs only for work performed. We understand that until all areas are transitioned, allocation of CO code administration costs must be determined. We propose to work with and at the direction of NANC to properly allocate CO code administration costs.<sup>16</sup>

PCIA believes that Lockheed's bid may be significantly lower than Mitretek's because it does not include all the necessary costs and because Lockheed has greatly underestimated the staffing needs and resources that will be required. Choosing an Administrator based on a bid that does not include a substantial portion of the costs could leave telecommunications industry participants facing large, unexpected bills at some later date.

**D. Lockheed may have a conflict of interest barring it from serving as NANP Administrator.**

Recently, NANC also recommended to the Commission that Lockheed serve as one of one of the local number portability ("LNP") administrators. In fact, Lockheed was selected to administer four of the seven regions of the United States. The Commission is currently considering comments on this recommendation in a separate proceeding. However, according to the NANC Technical and Operational Requirements Task Force Report, one of the requirements in choosing the LNP administrators is that administrators should not have "a *direct material financial interest in the United States portion of the North American Numbering Plan (NANP), and number assignments pursuant to the Plan, including (but not*

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<sup>16</sup> Lockheed Martin Proposal at 5-26.

limited to) telecommunications carriers.”<sup>17</sup> As Administrator of the NANP, Lockheed would have a strong, direct financial interest in the NANP and number assignments, which could prevent it from serving as an LNP administrator. Therefore, choosing Mitretek to serve as NANP Administrator would prevent a conflict of interest. In addition, the industry will benefit by having several entities with administration experience to select from in the future.

## **II. CONCLUSION**

After a thorough review of both proposals, including prices, the NANP Working Group Evaluation Team concluded that Mitretek would be the better Administrator. A careful review of NANC’s own consideration of both proposals shows that Lockheed may not have adequately considered the necessary staffing and costs. In addition, its less-than-definitive response on what software and systems it will make available to future Administrators could result in it becoming a monopoly provider of numbering administration services. Moreover, Lockheed may have a conflict of interest if it is selected as an LNP administrator.

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<sup>17</sup> North American Number Council LNPA Selection Working Group, Technical & Operational Requirements Task Force Report, CC Docket No. 95-116 at 10 (filed May 1, 1997) (emphasis in original).



The numbering administration needs of the telecommunication industry, including the wireless community, are increasing at a rapid rate and will require significant resources. PCIA urges the Commission to follow the NANP Evaluation Team's recommendation which was based on a detailed, thorough overview of the proposals in order to choose the NANP Administrator best prepared to meet the industry's needs.

Respectfully submitted,

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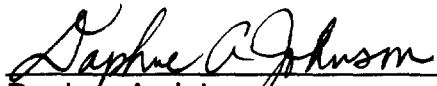
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I hereby certify that on this 20<sup>TH</sup> day of June, 1997, I caused copies of the foregoing COMMENTS OF THE PERSONAL COMMUNICATIONS INDUSTRY ASSOCIATION to be served on:

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